

**UNEMPLOYMENT
INSURANCE
AGENCY**

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FORM UIA 1107, NOTICE OF ERROR IN REPORTED WAGES/TAXES FREQUENTLY ASKED QUESTIONS

Why am I receiving Form UIA 1107, Notice of Error in Reported Wages/Taxes (UIA 1107)?

1. A math error was discovered in the wages reported on Form UIA 1028, *Employer's Quarterly Wage/Tax Report (UIA 1028)*, or
2. A wage error or omission of employee(s) on the wage portion of Form UIA 1028 caused the mismatch between reported gross, excess, and/or taxable wages and the UIA calculated gross, excess, and/or taxable wages, or
3. Missing wage information from a prior quarter in the same calendar year caused a difference in the excess wage calculation for an employee.

Is Form UIA 1107 a bill that I must pay?

No. It is a notification of a possible error on a previously filed tax/wage report.

If I don't resolve these issues, what will happen?

You will be subject to the following penalties:

- \$50.00 for each untimely report, incomplete report, or erroneous report if the report is filed not later than 30 days after the date the report is due.
- \$250.00 if the report is filed more than 1 calendar quarter after the date the report is due, and an additional \$250.00 for each additional calendar quarter the report is late.

What kinds of math errors will generate a Form UIA 1107?

- If the employer made a math error in calculating their tax report portion of Form UIA 1028; for example, gross wages minus excess wages does not equal taxable wages.
- If the UIA's calculated gross wages do not equal what the employer reported for gross wages on Form UIA 1028, the UIA will use the employer's reported wage records to calculate gross wages. Therefore if a Form UIA 1017, *Quarterly Wage Detail Report (UIA 1017)* was received before Form UIA 1020, *Employer's Quarterly Tax/Payroll Report* for the same quarter/year, the wages reported on Form UIA 1017 would be used to calculate gross wages.
- If the employer used the incorrect taxable wage base (which was raised from \$9,000 to \$9,500 effective January 1, 2012) to calculate excess wages.
- If out-of-state wages are not reported to Michigan.
- If wage amounts, other than wages in excess of the annual taxable wage base of \$9,500, have been included in the excess wage amount on Form UIA 1028. (This includes making an adjustment for a prior period.)

When did the assessment of the \$50 wage penalty begin?

Public Act 269 of 2011 increased the penalty assessments for late UIA reports. Employers incur a \$50 wage penalty if Form UIA 1028 was not filed within 30 days of the report due date. Employers who are notified of wage errors on their UIA 1028 have 14 days from the mail date of the Form UIA 1107 to correct the wage errors or a \$50 penalty will be assessed.

When will employers incur the \$250 wage penalty?

- Public Act 269 of 2011 also provided for a \$250 penalty if the Form UIA 1028 report was filed more than 1 calendar quarter after the date the report is due, and
- Employers are charged the \$250 penalty for failing to correct wage errors identified on the Form UIA 1107 by the next quarter due date.

Will employers continue to incur the non-reporting penalty for failing to submit a tax report?

Yes, an additional \$250 penalty is charged each quarter that the UIA 1028 remains unfiled.

If an employer is notified of multiple wage errors on Form UIA 1107 and corrects all but one error, will the \$250 penalty be assessed?

Yes. **ALL** errors must be corrected within 14 days of the mail date of the Form UIA 1107 or the \$250 penalty will be assessed by the next quarter due date. An additional \$250 penalty is charged for each quarter that the error remains uncorrected.

What kinds of wage errors will generate a Form UIA 1107?

Below is a list of wage errors that will cause the Form UIA 1107 to be issued:

Field	Error Message	Reason
Social Security Number	Required	SSN is left blank
	Error	SSN is incomplete or partially filled
	Error	SSN is listed multiple times within the same report
	Error	SSN cannot contain <ul style="list-style-type: none">• First three digits of 000 or 666• Fourth and fifth digit of 00• Last four digits cannot be 0000
Last Name	Required	Last name is left blank
	Error	Last name must be at least two characters in length
First Name	Required	First name is left blank – first name must be at least 1 character in length
Gross Wages	Error	Must be zero or a positive number

Note: (1) If the employee only has one name (first or last), then the same name should be entered in both the last and first name fields for the employee.

(2) If an employee is no longer available and the employer cannot secure the correct SSN, as required by Section 13(2) of the Michigan Employment Security Act, contact the UIA Office of Employer Ombudsman (OEO) for assistance with this issue.

When should an employer file an amended report?

- Employers **MAY** file an Amended Report when they disagree with the UIA-calculated figures listed on Form UIA 1107.
- Employers **MUST** file an Amended Report when wage errors are listed on Form UIA 1107.

What form should employers use to amend their tax or wage report?

Employers should file an amended report using Form UIA 1028. The following amended forms should not be used: UIA 1021, UIA 1021-R, or UIA 1019.

What if an employer only has a minor change to the wage report?

Employers can view the wage data on MiWAM and just modify the entries that are incorrect.

For more information, employers may call the UIA Office of Employer Ombudsman (OEO) at either 1-855-484-2636 (4-UIAOEO) or 1-313-456-2300, or email OEO@michigan.gov.

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Michigan Department of Licensing
and Regulatory Affairs
Unemployment Insurance Agency
Authority: UIA Director
Quantity: 1,000 Cost: \$14 (1.4¢/copy).
Paid for with federal funds.